

# **Special Meeting of the Pawtucket School Committee**

**Tuesday, August 14, 2012, 6:00 PM**

**School Administration Building, 2nd Floor Conference Room**

**286 Main Street, Pawtucket, Rhode Island 02860**

## **Minutes**

### **I Meeting will come to order**

**The Chairperson, Mr. Tenreiro, called the meeting to order at 6:02 PM.**

#### **a. Roll call**

**Mr. Araujo-here; Mr. Coughlin-here; Mr. Noonan-here; Ms. Nordquist-here; Mr. Spooner-here Mr. Tenreiro-here**

**Also in attendance were Mrs. Deborah Cylke, Superintendent of Schools; Ms. Kimberly Mercer, Deputy Superintendent of Curriculum Instruction and Assessment; and Mr. Thomas Conlon, Business Administrator and Mr. Tony Pires, Director of Administration, City of Pawtucket.**

**Ms. Bonollo was not in attendance.**

#### **b. Pledge of Allegiance**

**The Chairman led the audience in the Pledge of Allegiance.**

**The Chairman commented that public participation would be moved down on the agenda this evening.**

### **III New Business –Action Items**

#### **a. Recalls**

**Ms. Mercer: This evening we are recalling the following teachers to the 2012-2013 school year:**

**Karen Elias-Clavet, Art/Winters 1-year position**

**Stephanie Whyte, Grade 1/Cunningham 1-year position**

**Jacqueline Gallishaw, Grade 1/Baldwin 1-year position**

**Ms. Nordquist moved to approve the recall of teachers to a one year position as recommended by the Deputy Superintendent. Mr. Spooner seconded.**

**Voice vote carries all in favor.**

**b. Certified Appointments**

**Mrs. Cylke: At this time it's my pleasure that I recommend that the Committee approve the appointment of Mrs. Joanne Lynch as Assistant Principal at Elizabeth Baldwin Elementary School. We went through the process that we normally do and her name was recommended. I personally contacted all of her references. She has depth of knowledge in intervention which is something we are trying to bring into the district.**

**Ms. Nordquist moved to approve the appointment of Mrs. Joanne Lynch as the Assistant Principal to the Elizabeth Baldwin Elementary School. Mr. Spooner seconded.**

**Voice vote carried all in favor.**

**c. Non Certified Appointment(s)**

**Mrs. Cylke: This evening we are recommending that you approve the following non certified appointment:**

**Zhuje Penate, Teacher Assistant/Building Assistant Curtis Elementary**

**Ms. Nordquist moved to approve the appointment of Zhuje Penate as Teacher Assistant/Building Assistant at Curtis Elementary School. Mr. Spooner seconded.**

**Voice vote carried all in favor.**

**d. RIDE Memorandum of Agreement: Health and Safety Projects**

**Mrs. Cylke:** This memorandum of agreement is very typical of any agreement asked to be signed in the state of Rhode Island that is going to accept the state reimbursement fund. It basically says we are going to complete the work by 2017. We need to notify the voters we are going to do this. We agree that the project management fees are not going to exceed 20% of the general construction costs. We also agree that we are not going to over spend. We said we needed \$8M to address these projects and that's what it's going to take to get these approved. If while we are doing those projects and we realize there is something of a greater priority of health and safety that was missed, there is a process to go back and ask them to review it. We agree to follow our local city code. We agree to energy efficient practice. This is very standard. This project is pre-approved by them and it's their expectation that the project will be completed as they approved. We will not get reimbursed unless we do so.

**Mr. Spooner** moved to approve the Rhode Island Department of Education Memorandum of Agreement: Health and Safety Projects.

**Mr. Araujo** seconded.

**Mr. Coughlin:** Do we have firm fixed price on bids for these projects?

**Mrs. Cylke:** No. This is the next to the last step. We have to get the voters to approve the bond and we have to get the bids out. I don't anticipate a problem.

**Mr. Coughlin:** We get the bids out and we vet it. We're committed and if what if the vendor gets three quarters of the work done and we run out of money and they can't complete it, are they going to be

bound as well?

**Mr. Conlon:** We go out to bid all the time. These prices were bonded by SMMA. They have their own cost estimators, civil engineers. They and RIDE both realize that we go out to bid and there may be some difference. The only thing that happens now is that an anomaly goes back to RIDE for resolution.

**Mrs. Cylke:** We won't have more than \$8M. We are hoping the voters will approve the \$5M this fall. I know you are saying we shouldn't have budget overruns. We have to be very clear. When you have a construction overrun there are things out of your control. When you have an eighteen month construction project, like when you are building a school. Gas can go up, copper—there are things that are out of your control. These projects can be done relatively quickly.

**Mr. Coughlin:** So we can lock them in this price?

**Mrs. Cylke:** Yes.

**Mr. Conlon:** Sometimes there are change orders. Discovering asbestos and having to clean it up and issuing a change order and bringing that to Joe da Silva at RIDE would be a likely example. The prices are as good as you have ever gotten as going out to bid.

**Mr. Noonan:** Is SMMA going to be the project manager in charge of this?

**Mrs. Cylke:** No that has to go out to bid.

**Mr. Spooner:** The HVAC people. They all have to meet certain criteria and specs and they say we have to do this and they come back and say it's going to cost more than they anticipated. They do not put their redo in and it ends up costing more.

**Mr. Araujo:** The project manager and design fees they are all built into this?

**Mrs. Cylke:** Yes. We started this process a year ago. We are only addressing health and safety because that is the only thing the state is funding and reimbursing. When the moratorium is lifted in 2014, we will be poised and have everything ready to begin to approve other projects. We still have to go to the voters. In 2014 we will be going for the projects to rebuild our schools. Joe da Silva said they had \$1.8B in requests from districts statewide.

**Mr. Tenreiro:** What's the number on the ballot, the bond question?

**Mr. Conlon:** We don't know yet.

**Roll call**

**Mr. Araujo-yes; Mr. Coughlin-yes; Mr. Noonan-yes; Ms. Nordquist-yes; Mr. Spooner-yes; Mr. Tenreiro-yes**

**Motion carries unanimously.**

**e. FY12 Budget Deficit**

**Superintendent, Mrs. Cylke, recapped the different ways the FY12 budget deficit could be addressed; the City absorbing it; the School Department absorbing it; or a Budget Deficit Reduction Plan with both the City and the School Department paying combined yearly amounts for five years.**

**It was further determined that in FY13 the School Department would not rely on medical reserves or unidentified cuts and they were reduced from \$1.5M to \$750,000.00.**

**The Superintendent indicated she was looking for direction from the Committee to resolve the FY12 deficit. Some examples to resolve the**

**FY12 deficit are to use uncommitted funds and use potential savings with a little help from the City or pursue a budget deficit reduction plan.**

**The Superintendent's recommendation is to commit to addressing the FY12 deficit to using available funds. It could be done by using uncommitted funds. In a meeting with the Mayor and Mr. Pires, Superintendent, Mrs. Cylke, asked that the \$278,000.00 that had been reduced in maintenance of effort be restored for FY13. \$164,000.00 in charge backs was asked to be reconsidered.**

**The Superintendent indicated that Eileen Crudele, Director of Special Education, has identified a way of saving the district \$350,000.00 by bringing students back into the district to educate them instead of paying higher out of district tuition costs.**

**We did not qualify for E-rate funds because our students did not meet the 90% eligibility guideline for free and reduced priced lunch, even though our numbers are high.**

**Again, the question becomes do we go with the budget reduction deficit plan?**

**Superintendent Cylke commented that the School Department's deficit is structural and has not recovered from a \$3M hit taken in FY11. Approximately half of that has been recovered, but it may take another entire budget cycle before the school department is fully recovered.**

**The \$2.8M Federal Jobs Monies was spent because that was the year the City cut the School Department \$2.9M. It was offset. In FY12 the State took it back, but in the end we got it back.**

**The structural part that we have not recovered from is the \$1.6M in FY11 when our budget was reduced because of the statute that allows Municipalities to reduce revenues to School Departments when enrollment goes down.**

**The legal question becomes over what period of time? Because at that time, we had evidence that our enrollment was going up.**

**The reality is the City made its reduction because the State balanced its budget by withholding \$9M in automobile excise tax from the City. The City is still recovering from that and we're still recovering from that.**

**Mr. Tenreiro: Tom, Mrs. Cylke, Maggie and I attended two meetings with the City side. The level of cooperation was very high. Everyone was acknowledging facts on both sides. The \$1.6M reduction was acknowledged and there is a recommendation about that.**

**We shared our need to reduce our need to rely on medical reserves and unidentified cuts by a tremendous amount. By not agreeing to a real figure maybe that's something we can continue to reduce. Bringing the dependency on the medical reserve to zero would be pretty powerful.**

**The plan that you see before you, though not set in stone by any means, would take care of that charge back issue. Secondly, it wouldn't put another budget deficit reduction plan on the books. It doesn't put an impact on the taxpayer and certainly reduces our reliance that we took a calculated risk on. If you remember, it was the "salmon" colored section that was cut to the bone.**

**This number is up \$1.8M. The most important thing on that list is the**

**supplies we can provide to the students and teachers.**

**Mr. Conlon: Just because June 30th happens doesn't mean we don't get bills that don't come in. We don't know what the final Medicaid number is going to be. The City also relies on unspecified cuts. They call it "lag." They also rely on medical reserves. They ended up not having to use it because they came up with money some other way. We were all in the same boat, only their dreams came true and our dreams were realized.**

**Mr. Tenreiro asked the Committee which direction they wanted to take to address the FY12 deficit.**

**Mr. Spooner: For the record, I was the Chairman when we decided to go this route. I want the public to understand I decided to go the same way the City did with the deficit that year. It was my recommendation as Chairman of this Committee that we take this route. My father raised me to take responsibility for my actions. I made the gamble, I lost. Our teacher work force came through for us in a big way, otherwise god knows where we would be.**

**Mr. Coughlin: This spreadsheet came about after the meeting with the City?**

**Mrs. Cylke: I made that up after the meeting.**

**Mr. Coughlin: In that meeting did you get a sense that the Mayor and Toney were going to support some of these line items i.e. the City restoring the Maintenance of Effort. Because I think MOE is on the City's budget. Even if the Mayor likes the idea could he commit to it without the City Council's approval?**

**Mrs. Cylke: I think the Mayor's response would be similar to that I**



would give. I can't speak for the Committee. I sensed at the meeting that they understood the situation. But they could not make a commitment because the Mayor had to go back to the City Council. It would take further discussion.

Mr. Tenreiro: Due to the level and spirit of cooperation that has been taken place, all things are on the table. There's nothing that's off the table to make this happen. There's no firm commitment there with those two line items. If it comes back at \$1.2M or \$1.8M that's why we can't make any real firm commitment this evening.

Mr. Coughlin: The reason I'm asking is the Mayor at least in the press seemed to be that City Hall was adamant that we were going to have to solve this problem by ourselves. I see a proposal that the City would restore the MOE line and the City would restore charge backs.

Mr. Conlon: The charge backs are snow plowing, trash removal and sweeping parking lots.

Mr. Coughlin: Was there a discussion to share those services?

Mrs. Cylke: Yes.

Mr. Noonan: While I applaud Mr. Spooner for taking blame, I too, also voted in favor of that.

Mrs. Cylke: Just for the record, those were unanimous votes both at the April meeting and again in June when we had a question about using Literacy Set Aside money. The minutes reflect both the discussion and the vote.

Mr. Tony Pires: The City's open to discussion on any issue related to the School Committee Finances. We fully understand the pressures the School Committee is under. The School Committee understands

**the pressures the City is under from a financial standpoint.**

**Nothing is ever off the table. The budget is a spending plan, one that has to have enough flexibility. The City Charter allows the Mayor to make the calls as he sees them. We give proper notice to the City Council at the appropriate times and scrap certain budget changes that may have to be made midterm. I'm not here tonight to make any commitment to any conversations that the Committee may have. We do respect the prerogative of the Committee. We will monitor this very closely as we are monitoring our own budget and will act how we feel is appropriately.**

**Mayor Grebien asked me to come in because we had a serious problem that was inherited upon the inauguration somewhere to the tune of \$12.9M between both the City and the School Department. There are a lot of reasons for that, reasons that are out of our control.**

**We suffered in the last ten years in total cuts between general revenue and being underfunded in regard to the automobile excise tax about \$21M. That has adversely affected the city's ability to fund education and the Mayor would like to.**

**The Mayor and I look at this venture like a private industry. A limited partnership or a joint venture operation. The Mayor has a commitment to the children of this community, to the families of these children in this community and to the taxpayers. It's his responsibility to tax the people and it's his responsibility to ensure that whatever appropriations the City is making whether it be to the School Committee, School Department or limited partnership that we are in be appropriations that he has direct control over, it is our**

responsibility to monitor the spending and to make adjustments.

The Superintendent and Chairman have had extensive conversations with us consistent with the level of cooperation we have had with your leadership team with your administrative staff. There's been outstanding communication.

The budget responsibilities from our perspective as we go forward will remain with the City. We will extend limited venture partnership to constantly monitor the comings and goings. The Mayor remains committed to the students.

Back in November, the Mayor noted over runs primarily in the fire department. It was also around that time we noticed what was taken place in Woonsocket. We spent a lot of the early stages involved with the budget process, the school department and the auditor general. We did so to convey to them that the school department and the municipality were working together. We thought it important that they knew the dynamics and synergy that was built up between the school department and the city and remains in place now.

In November we sent notice to the police department union indicating that we had been monitoring these expenditures and it appeared that they were going to exceed their budget by significant dollars. Under article four, section four of the City Charter, the Mayor is given the authority to make the necessary changes in department budgets when he has the sense that those over runs are going to take place. He gave notice to the Council that he would check back with the unions that we would consider changes to the deployment of manpower, co-shares of insurance and holiday pay even though there

was a collective bargaining agreement in place. The Mayor felt strongly that the salvation of the city was paramount and he had to take immediate action. It was also at that time the Woonsocket situation started to bubble up. We had concerns over certain appropriations.

We have the stop gap coverage on the medical coverage. We know the significant impact it can have when you rely on the medical reserves and you have one catastrophic illness such as a cancer or birth with significant health issues. That happened the first year and we inherited that because we are self insured.

On one hand we had our own shortfall to deal with and on the other we knew there were issues to deal with on the school side. We inherited a deficit that every year a budget deficit reduction plan had been put into place. We don't think that's the way it should be done. We believe there should be dialogue and have targets and have the mind set where we are not doing four and five year paybacks.

When I was in the legislature the Caruolo Act came into play and what was obvious to us was that the school committees were on an uneven basis back then with the municipalities. The Caruolo Act intended to put school committees, municipalities and legislatures on the same track in hope that it would put the communities together to resolve the issue before it got to a Caruolo situation.

So when the Mayor came on board he felt the best way to resolve this situation was to try to work together and not to throw bombs at one another. When in partnership and sometimes in partnership, in joint venture one partner wants to go one way and another partner wants

to go in another direction.

Successful partnerships are based on the ability to come together and air their differences and find solutions. The Mayor wants to work in the most cost effective manner and work with the taxpayers and make sure that the resources are there.

Ms. Nordquist: This is my eighth year on the school committee and this is the first time anyone has ever come to address this and say that they are willing to work with us.

Mr. Pires: We all have to be held accountable in this partnership of what a limited joint venture is all about. It's not constructive to conclude that everything that occurs is the School Committee's fault. We're not able to anticipate cutbacks that the State makes at the last minute.

The Mayor and I are products of the Pawtucket School System. He has two children in the school system. Some of my children were in the public school system. The kids we have in our community have immense challenges because of their backgrounds and social economic differences.

We want to work together. We expect to be held accountable to the voters and to the City Council. Your legacy as elected officials is how successful you are in your mission. Your mission is to provide the best education and opportunity to these youngsters. It's the City's responsibility to support you when you do that to the fullest extent possible.

Mr. Pires provided some highlights from the City's FY12 budget.

The City has a carryover of \$952,000.00 from prior years. The budget

was built on two significant factors; 1) \$875,000.00 anticipated reserve and 2) \$1.425M gap line. This was because they weren't able to anticipate what the state was going to do and they weren't able to achieve certain savings.

There were layoffs and as positions became vacant we held off as long as we could before filling them. There is \$2M in salaries and that is \$.5M over the gap line that is budgeted. The total revenue variances were in our favor and the total expense variances were in our favor for a net of \$55,000.00.

The City starts with \$952,000.00 in reserves. It built its budget based on an \$875,000.00 reserve and to that we add \$55,000.00 and the carryover is approximately \$1.8M, \$1.9M.

It's important because in November, the Mayor saw a potential overrun in the fire department. He knew that there were potential problems in the school's budget and with his own budget. In February, we started to see a pattern on the medical side that was not favorable. Toward the end of March we were looking at a combined budget problem of about \$1.5M.

Our goal was to be above water to end the FY12. If not we have a Woonsocket situation, an East Providence situation, a Central Falls situation. The State takes over and you lose control.

We also have arbitration with the fire department and may see that \$300,000.00 go as high as \$700,000.00 and that is also why the Mayor took the action that he did in November.

We had a meeting with the rating agencies. They are well aware of this relationship that we have and we want to expand it even further.

**We think time is on our side if we are prudent and mindful of the direction we take, we will be able to solve this on our own without State intervention.**

**Mr. Tenreiro: Tom, what's the date where we know the actual number?**

**Mr. Conlon: Everything depends on the audit. They won't be in until a couple of months.**

**Mr. Tenreiro: I think we can achieve some type of consensus. Do you know the number where we can take a vote on the actual cuts or line items? Is there a general direction that does not take us down the budget deficit reduction plan path?**

**Mr. Coughlin: We won't know until October. How confident are we that this \$1.5M, \$1.8M will leave a cap on this?**

**Mr. Conlon: I'll know when the final Medicaid numbers come in and the special education out of district placement invoices come in.**

**Mr. Coughlin: Could it be an additional 20%?**

**Mr. Conlon: Closer to \$1.8M. It could be a little higher, it could be a little lower. In the fall, we do adjust to actual. Mainly salary and benefits.**

**Mr. Coughlin: I'm not ready to take a position, one way or the other.**

**Mr. Noonan: I have some questions. I'll support the Committee whether I'm in the minority or not. I want to solve this. What is the problem with using the deficit reduction plan?**

**Mrs. Cylke: The equity funding formula was put in place to help communities like Pawtucket to get ahead in terms of meeting educational needs. We're using that to build FY12 budget deficit. It's**

like a credit card and you get to pay installments over a period of time.

The City bond rating is affected when you have debt on the books. Moody's downgraded Pawtucket's bond rating last year and its debt that you are carrying versus having a balanced budget.

Mr. Pires: There are other players in the process. The auditor general has to approve the deficit plan and the City's ability to fund it. They are very aware from the statewide perspective of the accelerated school aid formula. They will not approve a reduction plan without a condition that if there is a surplus in the succeeding year and then that surplus must be applied to that deficit.

Mr. Noonan: We are allowed to spread out this debt, but on the other hand we are wiping out computers for our elementary schools.

Mrs. Cylke: The State of Rhode Island is moving toward a new test called Park. The Park test is going to replace NECAP. The Park test is going to have to be administered on computers. All students will take the test online. The test doesn't come out until 2014. \$150,000.00 was for every elementary school to have thirty computers placed in the school libraries. We can ask for a waiver. But the problem with that is you are asking for money that somebody doesn't have.

Mr. Tenreiro: The question is who owns that deficit? We have two options and the goal is to work collectively and collaboratively. In those meetings with Tom and Maggie the honesty, openness and transparency we knew we were on our way here that it was a responsible and confident way to take us through the process that



**will get us to a point that will help us balance the needs of the student and that of the taxpayer.**

## **II Public Participation**

**None**

## **IV Superintendent's Report**

**Mrs. Cylke: All the Tolman and Shea Teachers went to New England Tech to begin four days of professional development as part of their transformation plan. Part of our transformation is to provide every teacher with a large screen and LCD projector so that they can tap into the internet and use that to help kids with their achievement.**

**Tomorrow we have the Brockton High School Literacy team coming in to share with the Tolman and Shea teachers what works so well for them and our plan is to copy that.**

**We also have a gentleman coming in who talks about issues with kids in poverty in schools and how they are resourced deficient and how schools can respond and make them resourced proficient and make them achieve.**

**Our elementary math teachers are here this week for some training. Our number one challenge is moving ahead in math achievement.**

**On August 28th we are going to have the first ever Pawtucket Summer Graduation. If that date doesn't work, we'll let you know.**

**Twenty four students were able to finish out this summer and will count as graduates and help our graduation rate. Kudos to the staff that does the online Apex learning. Hersh has been spearheading and coordinating a lot of that. That will be the happiest graduation ever.**

**Pawtucket was mentioned in a USDA log regarding their fruits and vegetables ambassadors. They teach middle school students about foods they are not used too, such as a chocolate pepper which is really a blue bell pepper and a vegetable called a malanga which is like a sweet potato. Kudos to Solange to get the kids to think it's cool to eat good food.**

**All the administrators attended a recent professional development in a professional learning community. Professional learning community is the framework in which we do our work it relies on a focus on collaboration and a laser light focus on learning and a focus on results. Their focus is based on the Sanger Unified School District in California and that is Pawtucket.**

**The next regularly scheduled meeting will be held on Wednesday, September 12, 2012. Tuesday, September 11, 2012 is primary day.**

**V Special Reports of the School Committee Members**

**None**

**VI Adjournment**

**Mr. Spooner moved to adjourn. Mr. Noonan seconded.**

**Voice vote carried all in favor.**

**The Chairman adjourned the special meeting of the Pawtucket School Committee of August 14, 2012 at 7:20 PM.**

**Respectfully submitted,**

**Clerk**

**Approved 9/12/12**